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for
Assembling Business Facts

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WORKSHOPS

for

ASSEMBLING BUSINESS FACTS

BY

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With an Introductory Note by

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Chicago

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The manuscript for this pamphlet was submitted by the author to the Joint Committee of Seven of the American Library Association and the Special Libraries Association, and was approved by that Committee. The members of the Committee are:

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Fact Information in Business

IN THE ORGANIZATION AND MANagement of every business, statistical and fact information plays a most important part. Business executives must know the character and the location of the demand for the products made by their concern; they must know the sources for labor and raw materials; they must know credit and financial conditions, and a host of detailed facts about all current operations of the business. Fact information of all kinds must be salvaged from a wide variety of sources both inside and outside the organization. In proportion as this information is promptly received and accurately compiled the business will tend to prosper and the organization to function smoothly.

While the truth of the foregoing has always been recognized by successful business men, they have differed in the methods which they have employed to secure facts and statistics and to prepare such information for current use. In many cases there exists more or less adequate machinery for the initial collection of business data but the importance of organizing and preserving this material for future reference is not realized. Short-sighted policies in this respect

have frequently resulted in financial loss to the company concerned.

The function of the business library, as I understand it, is to collect and to preserve data of value to the business executive and to so organize this information that it will be available for use with a minimum of delay. There can be no question of the value of such service to the larger business firms when the work is properly organized and the librarian in charge has a clear conception of the possibilities of his position. The statement that "knowledge is power" is as true for business as for the learned professions, and the business librarian who can make his service an integral part of his firm's organization may become a positive factor, both in the increase of profit and in the development of constructive business standards.

Herbert Hoover

Workshops for Assembling Business Facts

The Business Value of Facts

The modern business executive is coming more and more to realize the value of facts. He spends a great deal of money in obtaining facts and in checking up to insure their accuracy. This work he puts in the hands of trained experts who can interpret data when collected, and who can advise him as accurately as possible when no facts can be obtained. Due to scientific efforts of this kind, many firms have increased their earnings in the face of a narrowing margin of profit.

Only the larger corporations, however, can afford the increase in overhead expense which is necessitated by the hiring of such expert assistants. In many cases, also, the larger corporations claim that the productive efficiency of their expert workers is extremely low. The object of this bulletin is to show how the advantages of fact knowledge can be extended to smaller firms, and how the productive efficiency of expert workers in large corporations can be increased, by the creation of business libraries or informational departments.

The Expert in Business

There has been an increasing tendency up to the present to depend upon the counsel of business specialists in the organization and planning of commercial and industrial undertakings. During the last year or so the self-styled "business expert" has been the subject of much criticism, but in general the tendency

towards the introduction of special counsel in business has received no serious setback. In this connection the outstanding fact of recent experience is that the business specialist or expert has succeeded in proportion as he has been able to interpret and to apply his special knowledge in terms of the business with which he is connected.

In this endeavor to apply his knowledge to the needs of his own concern the business specialist has encountered numerous obstacles. His natural desire to study and to analyze special problems is continually thwarted by the deluge of questions and inquiries which come to his desk and he finds it difficult to respond to such demands without sacrificing his special work. There is very little printed information concerning special types of business and such literature as exists is difficult to obtain. The current operations of business houses, where such are recorded, are scattered through a miscellaneous collection of files and records, making careful study and quick reference extremely difficult and in some cases impossible. Working against such handicaps the specialist is hardly to be blamed for a decrease in his productive efficiency.

What a Firm Should Know About its Business

If a firm is to be in a position to answer all questions concerning the business which it carries on, it must first get some idea of the kind of questions that will be asked. To obtain an idea as to the character of such questions is no easy task, but this object may be accomplished, nevertheless, by keeping track, during

a given period of time, of all questions asked by executives, sales representatives, and actual patrons of the firm. A task of this kind must be handled by some one individual, such as the business librarian, with authority to examine incoming mail, office memoranda, etc., whose duty it will be to study such inquiries and to tabulate them to show the general character of informational demands.

A knowledge of such demands made upon a company, secured in some such manner as indicated above, should be the basis for all studies and research work undertaken (except such special researches as may be undertaken from time to time for the improvement of the commodities manufactured). As a result of the re-alignment of the corporation's research work, executives will receive a more efficient report service, the needs of patrons will be more clearly understood and more intelligently supplied, advertising campaigns will be more accurately formulated, and the value of the service to sales representatives will be materially increased.

Because of the failure to study and to analyze the inquiries received many firms have been put to great expense. The manufacturer of a certain farm tractor found that sales diminished and then ceased in one portion of the country and was forced to make a special survey of tractor purchasers to ascertain the cause. An analysis of that company's unorganized correspondence files would doubtless show that the cause of the trouble had been frequently called to the attention of various departments.

What an Informational Survey Will Reveal

A frequent result of informational surveys such as above-mentioned is to disclose the reason for the low productive efficiency of staff specialists and experts. The analysis of the demands made upon these men frequently shows that from 60 to 90 percent of their time is given over to studies of a routine character, and that from 10 to 40 percent only is devoted to essentially productive investigation. This waste of energy by skilled specialists in unproductive work is made necessary by lack of adequate data filing systems and the failure to employ service specialists or librarians to make such information promptly available upon demand.

Such surveys, in addition, often reveal the fact that there is much duplication of investigational activity by specialists connected with different departments and that this over-lapping is resulting in financial losses to the concern. To obviate this danger one of the largest American industrial corporations has a standing rule that all specialists and experts must consult the library indexes and records before starting any new work. By this means the specialist is informed in advance of the activities of other departments and also of similar investigations or studies made in the past by other firms or by professional or educational institutions. Because of failure to apply this rule the specialist of one firm made a trip of several hundred miles and used up a week's time hunting up certain documents which the librarian of his concern could have produced from his files at ten minutes' notice.

The Value of the Business Library

It would be poor policy for a corporation to hire a chemist and to expect him to pursue his investigations without the aid of a laboratory. In the same way, engineers, statisticians, and research workers are handicapped by the lack of a workshop to assemble the published and unpublished facts of business experience. More than that—it is short-sighted policy to make such experts spend the greater part of their time answering inquiries that could be answered satisfactorily by a good reference librarian. The industrial or business library, with its research librarians trained in the assembling of fact-data, furnishes just the needed type of "workshop."

There are more than 600 American corporations today that have increased the productive efficiency of their research organizations by the creation of special libraries or information departments. The work done by these libraries varies in character from the educational library maintained to aid employees to educate themselves to higher cultural levels, to the technical library maintained for the benefit of engineering, statistical, financial, and other special departments. In many cases these libraries—sometimes called bureaus —are charged with the task of collecting and organizing data which pertain to the particular line of business, and also with the task of handling routine research and informational service. Where such departments or libraries have been properly organized, with efficient librarians or service specialists in charge,

it has been found that they can take over from 60 to 90 percent of the work previously performed by specialists and experts, thus enabling the latter to devote the major portion of their time to more creative lines of research.

Examples illustrating the dollars and cents value of special libraries to business concerns could be multiplied almost without end. There is a classic story about the city government of one of the larger American cities. In this city a commission was appointed to gather information concerning a certain type of legislation. Letters were sent to cities throughout the country, material collected and digested, and a lengthy report compiled. After the completion of the investigation it was discovered that the same study had been made a short time previously by a federal department and the published results of the study were available in book form.

A large professional firm in another city was confronted with a special problem and the call went forth for enlightenment. In the hurry to obtain the needed information a high-salaried member of the firm made a quick trip to another organization in a distant city where the data were said to be available. After several days of expensive investigation he returned to the home office with three documents containing the desired information. The affair was mentioned later to the firm's special librarian; the librarian, after a few minutes' search, was able to produce the same documents from the files of the company's library.

What Is a Special Library?

Various people have attempted to define what a special library is and the Special Libraries Association adopted one such definition at the 1919 Convention which reads as follows: "A special library consists of a good working collection of information either upon a specific subject or field of activity; it may consist of general or even limited material serving the interests of a special clientele, and preferably in charge of a specialist trained in the use and application of the particular material."

A first qualification of the business or technical librarian is that he be acquainted with all possible sources of information about the business with which he is connected. He must know the informational resources of every office and department of the central organization as well as the information in the possession of every branch of the firm's distributing organization, where such branches exist. He must know, also, the sources from which information may be obtained concerning allied or competitive lines of business.

Where the library is concerned with technical matters not affecting the distributing organization, designed to aid a staff of engineers or other specialists, the attention of the librarian may be confined to one specific line of scientific investigation. In this event he will collect the standard reference books upon his special subject, follow association proceedings and current scientific periodicals, and keep this information available for the expert staff which he serves.

In addition to the direct sources of information, the special librarian must keep in constant contact with all indirect sources of information. Under this head are to be classified the various professional and trade associations, class publications, and such books, general magazines and newspapers as may be devoted to his particular line of business. Particular attention should be given to some of the economic and statistical services now being offered to different lines of business.

Salvaging Business Facts

Having discovered and classified all possible sources of business information, the next task of the special librarian is to devise a salvaging system whereby, in so far as possible, needed fact information will be made to come automatically to his desk. This object may be realized in a variety of ways, such as: periodical reports from units of the sales organization; duplicate carbons of office memoranda; examination of part of incoming correspondence, and by similar arrangements. The phrase, "salvaging information" is current in some firms and refers to the collecting and securing of data which it is difficult for the executive to obtain except by special effort.

The salvaging of information from sources outside the organization is even more difficult, and it usually requires a great deal of continuous or "follow-up" correspondence. By subscribing to certain bibliographical services which keep tab on the various types of business publications the work of the special librarian will be greatly facilitated. It will be necessary also to fol-

low the various trade publications and association proceedings in order to "catch" news items of value and to trace occasional pamphlet publications, typewritten reports, and public documents bearing upon the business.

Organizing Fact Information

Above all things the service of the special library must be prompt, as the value of fact information to the business executive is in direct proportion to the speed with which it can be produced. Also, as Dr. Robert Whitten has pointed out, "Quick service multiplies use." To achieve this aim of prompt service it is essential that the fact-data, when salvaged for the library, be organized or classified in accordance with some system which will make it possible for the librarian to locate any desired data in the shortest possible time.

The trained special librarian is able to render prompt service of this kind because of his expert knowledge of approved methods of indexing and filing. He knows from past experience that his data must be organized according to the subject with which it is concerned, and his first task, therefore, is to adopt a comprehensive subject classification system. In devising his classification the librarian first assures himself that his particular field has not been covered by any brother librarian whose experience might furnish a valuable guide. The librarian also gives due consideration to the Dewey Decimal and Library of Congress classification schemes to ascertain whether

these systems will answer his requirements. The classification system, when adopted, is arranged to cover the general organization of the business as well as to meet the demands for information as revealed by the informational survey. The subjects, together with their numbers, are then transferred to the tabbed guides of the vertical files, preferably legal size cabinets, and data are henceforth filed by subject immediately upon receipt.

The peculiar advantage of this method of organizing information is that it provides the answers for questions before the actual questions are asked. It is, in fact, the day by day application of the research principle, and thus is an invaluable aid and supplement to the work of the research staff. By the adoption of this plan of special library service, smaller firms that cannot afford to retain high-salaried specialists, may secure a great many of the undoubted advantages to be obtained from the employment of such expert executive assistants.

The Distribution of Fact Information

Many service organizations have failed because of the neglect to properly *visualize* the problem of distribution. This is particularly true in the case of a service—such as that of the business library—where distribution must be prompt, as well as carefully gauged to meet the needs of the recipient. It is especially important that due consideration be given to the form and manner in which fact information is released.

Generally speaking, fact information collected by the business library will be released by one or more of the following methods:

1. By verbal reports to inquirers
2. By letters or typewritten memoranda
3. By news letters or bulletins
4. By special reports or monographs

Verbal reports are made by the special librarian after reference to his data files for information upon the subject in question; this involves the usual library reference procedure and should be characterized by a prompt and courteous desire to be of service. In answering letter inquiries and in writing memoranda the librarian has more leisure for the study of data on hand and such reports are more in the nature of abstracts of reports and miscellaneous literature which he has collected in the past.

Special Reports

From constant contact with the problems of his firm the librarian soon finds that certain questions constantly recur—that there is a widespread demand for information on some aspect of the company's activities. When such a need becomes apparent it is frequently desirable that the librarian make some study of the problem in question and compile a special report for distribution among the employees of the firm. Such reports cover a variety of subjects, such as: history of firm; prices of products manufactured and description thereof; special uses of products; market

analysis practice as developed by various distributers; special information for salesmen, etc.

The News Letter Service

The special librarian occupies a central position with regard to the work of all departments of the company and in general practice the informational function of the library is more and more accentuated as the service develops. It frequently happens that the librarian is deluged with minor questions and inquiries regarding matters which should be currently known. Such questions, in many cases, are forestalled by issuing a News Letter or Service Bulletin, largely informational in character, and devoted to news and notes regarding current developments in the business. Such bulletins are not to be confused with the sales promotional and advertising literature issued by many concerns; they are concerned with matters of fact and with references to notes and reviews of current books and literature dealing with the particular business in which the firm is engaged.

A successful news letter service has frequently become one of the most valuable assets of the business concern by which it is issued. Such letters or bulletins, although devoted exclusively to "shop" talk and fact information, frequently achieve a distinctive character which holds the attention of office employees and of salesmen in distributing agencies. The influence of organs of this kind often results in increased knowledge of the business on the part of employees as well

as greater working efficiency and improved *esprit de corps.*

The Mailing List Question

At the time of the preliminary informational survey the special librarian should make careful note of the sources from which the various inquiries emanate. With this information as a basis, a careful mailing list should be developed, arranged in such fashion as to indicate the special subjects in which each person is interested. The mailing list should be arranged according to group interests and the stencil plates should indicate whether data to be mailed are to be sent in quantity or not. Mailing list accuracy is an important part of special library service, as the person who is overlooked, or who receives his reports and data irregularly, is apt to complain or to feel that he is being slighted by the home office.

Special Library Costs

The cost of installing a business library will depend upon the type of library service that is desired. Where the aim is to afford educational and cultural facilities for employees the expense will depend upon the number of books purchased and the amount of trained supervision required. In some of the larger cities public library branches have been established in the larger factory plants, with part-time service of a trained librarian, and with small collections of both cultural and technical books.

Many firms possess laboratory organizations where research investigations of a primary character are

carried on and in such cases frequent reference to technical literature in various languages is necessary. The expense of special libraries of this character will also depend upon the extent of the scientific field to be covered and upon the ability of the technical librarian placed in charge.

Where the library assumes the character of an information bureau and is depended upon to supplement the work of business specialists the expense is somewhat higher. In the long run the space required for any type of business or technical library will exceed that needed for the lesser departments of the business. Equipment expenses will include such items as filing and shelving, indexes, duplicating machines, and the like. Where special bulletins and news letters are issued in printed or mimeographed form the expense will be proportionately increased.

The budgets of special libraries now in existence vary from figures as low as $3,000 or $4,000 to $20,000 and over. The overhead expense of government libraries, for example, may run very high because of the wide range of special subjects covered by the collections. The business library, on the other hand, covers a considerably smaller field—a field regarding which a relatively small amount of printed matter has been issued—and for this reason overhead expenses are less.

Firms That Have Special Libraries

As mentioned above there are today a large number of American business concerns which have a spe-

cial library of some kind. There are many special collections of printed and other fact information maintained by department libraries in connection with federal, state and local governments. Professional associations and trade bodies in many instances have built up special collections of great value which form the basis of nation-wide service to their members. The professional and trade magazines, also, frequently develop special collections of information used in connection with editorial and service functions. Among the better-known American firms that have established libraries as integral parts of their central organization, the following may be mentioned:

Aberthaw Construction Co., Boston, Mass.
American Agricultural Chemical Co., Boston, Mass.
American Appraisal Co., Milwaukee, Wis.
American Brass Co., Waterbury, Conn.
American Cotton Oil Co., New York City
American International Corporation, New York City
American Steel & Wire Company, New York City
American Telephone & Telegraph Co., New York City
American Writing Paper Co., Holyoke, Mass.
Armour & Company, Chicago, Ill.
Atlantic Refining Co., Philadelphia, Penna.
The Barrett Company, New York City
Boston Elevated Railway Co., Boston, Mass.
H. M. Byllesby & Co., Chicago, Ill.
California Associated Raisin Co., Fresno, Calif.
Canadian Pacific Railway Company, New York City
Carrère & Hastings, New York City
Chamber of Commerce of the United States, Washington, D. C.

Cleveland Tractor Co., Cleveland, O.
Commonwealth Edison Co., Chicago, Ill.
Connecticut Mutual Life Insurance Co., Hartford, Conn.
Continental & Commercial National Bank, Chicago, Ill.
Crowell Publishing Company, New York City
Dennison Manufacturing Company, Framingham, Mass.
Detroit Edison Co., Detroit, Mich.
E. I. duPont de Nemours & Co., Wilmington, Del.
Eastman Kodak Co., Rochester, N. Y.
Federal Reserve Bank, New York City
General Electric Company, Schenectady, N. Y.
Goodyear Tire and Rubber Co., Akron, O.
Gorham Manufacturing Co., Providence, R. I.
Great Western Sugar Co., Denver, Colo.
Grinnell Company, Providence, R. I.
Guaranty Trust Company, New York City
Haskins & Sells, New York City
Hydraulic Steel Co., Cleveland, O.
Ingersoll, Rand & Co., New York City
International Harvester Company, Chicago, Ill.
Irving National Bank, New York City
Kidder, Peabody and Co., Boston, Mass.
Eli Lilly and Co., Indianapolis, Ind.
Arthur D. Little, Inc., Cambridge, Mass.
Maryland Casualty Co., Baltimore, Md.
J. P. Morgan & Co., New York City
National Aniline & Chemical Co., Buffalo, N. Y.
National City Bank, New York City
National Retail Dry Goods Association, New York City
New Jersey Zinc Company, Palmerton, Penna.
Norton Company, Worcester, Mass.
Old Colony Trust Co., Boston, Mass.
Pacific Mutual Life Insurance Co., Los Angeles, Calif.

Packard Motor Car Co., Detroit, Mich.
Pennsylvania Railroad System, Pittsburgh, Penna.
Philadelphia Rapid Transit Company, Philadelphia, Penna.
Public Service Corporation, Newark, N. J.
Remington Arms Co., Bridgeport, Conn.
Republic Iron and Steel Co., Youngstown, O.
Scovill Manufacturing Company, Waterbury, Conn.
Sears Roebuck & Co., Chicago, Ill.
Sinclair Exploration Co., New York City
Solvay Process Co., Syracuse, N. Y.
Southern Sierras Power Co., Riverside, Calif.
Stone & Webster, Boston, Mass.
J. Walter Thompson Co., New York City
United Drug Co., Boston, Mass.
United Gas Improvement Co., Philadelphia, Penna.
Yale & Towne Manufacturing Co., Stamford, Conn.

Special Library Literature

The Special Libraries Association for the past decade has been publishing a monthly magazine, entitled Special Libraries, and in the pages of this publication the history and progress of the special library movement is recorded. Copies of current and of past issues of this magazine are available from the Secretary of the Association, who should be addressed at 3363 Sixteenth St., N. W., Washington, D. C.

The progress of the special library movement has also been treated in a valuable monograph by Mr. Richard H. Johnston, entitled "Special Libraries," which was issued in 1915 by the American Library Association Publishing Board. Mr. Johnston's monograph, which contains a bibliography, is supplemented

by an interesting article contributed to the April 1, 1920, issue of "The Library Journal" by Mr. Guy E. Marion, the title of which is "The Special Libraries Association." The Wilson Bulletin for December, 1920, published by the H. W. Wilson Co., 958 University Ave., New York City, includes a list of references on business libraries, also an article on the service of the business library by Alice L. Rose, librarian of the National City Bank, New York. Mr. Ralph L. Power has published a volume on the special libraries of Boston and Miss Louise B. Krause has published a book of more general character on the special library and its work. Regional directories of the special libraries of New York, Boston and Philadelphia have recently been published and a national directory is now in process of compilation by the Special Libraries Association.

The President and Secretary of the Special Libraries Association are at all times ready to supply more detailed information concerning the organization, management, and costs of special libraries, and inquiries are solicited from all organizations or business firms contemplating the adoption of this modern and conconstructive type of business service.

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